

Message Text

LIMITED OFFICIAL USE

PAGE 01 STATE 042733

71

ORIGIN TRSE-00

INFO OCT-01 EUR-25 IO-14 ISO-00 STR-08 EB-11 CIAE-00

INR-10 NSAE-00 RSC-01 /070 R

DRAFTED BY TREAS:DSTOUGHTON
APPROVED BY EB/IFD/OMA:JKRIZAY
TREAS:ECSCHMULTS
TREAS:MBRADFIELD
TREAS:JHMCFADDEN
STR:AWWOLFF
STATE:TMINNIES
STATE:WADAMS
STATE:RMEIMA

----- 111554

R 042054Z MAR 74
FM SECSTATE WASHDC
TO AMEMBASSY STOCKHOLM
INFO USMISSION GENEVA
USMISSION OECD PARIS

LIMITED OFFICIAL USE STATE 042733

E.O. : 11652/NA

TAGS : EFIN

SUBJECT: GATT PANELS ON DISC AND OTHER TAX PRACTICES

REF : A. GENEVA 4044; B. GENEVA 286; C. STATE 13985

1. REQUEST YOU INQUIRE WITHOUT OFFERING POSITION WHETHER LIEF MUTEN, PROFESSOR OF TAXATION AND FORMER IMF ADVISER, WOULD BE WILLING TO SERVE AS A TAX EXPERT ON FOUR GATT PANELS. THESE PANELS WERE CONVENED BY GATT COUNCIL ON JULY 30, 1973, TO CONSIDER THE COMPATIBILITY WITH THE GATT OF THE U.S. DISC LEGISLATION AND CERTAIN RELATED TAX PRACTICES OF BELGIUM, FRANCE AND THE NETHERLANDS, WHICH U.S. BELIEVES HAVE AN EFFECT SIMILAR TO THE DISC. (REF. A).

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 STATE 042733

2. THE PANELS ARE TO HAVE IDENTICAL MEMBERSHIP CONSISTING

OF A CHAIRMAN, TWO GATT EXPERTS AND TWO TAX EXPERTS TO BE SELECTED WITH THE AGREEMENT OF THE PARTIES CONCERNED. (REFS. B AND C). AMBASSADOR PETER LAI OF MALAYSIA HAS BEEN SELECTED TO SERVE AS CHAIRMAN. THE GATT SECRETARIAT HAS ASKED THE UNITED STATES, THE EC, AND BELGIUM, FRANCE AND THE NETHERLANDS FOR SUGGESTIONS CONCERNING INDIVIDUALS TO SERVE AS TAX EXPERTS ON THE PANELS.

3. THE WORK OF THE PANELS WILL INVOLVE AN IMPORTANT APPLICATION OF THE SUBSIDIES PROVISIONS OF ARTICLE XVI OF THE GENERAL AGREEMENT TO THE U.S. DISC LEGISLATION AND TO

THE TAX PRACTICES OF THE EUROPEAN NATIONS CONCERNED. IN VIEW OF THE COMPLEXITY AND IMPORTANCE OF THE ISSUES IN THESE CASES, IT IS IMPORTANT THAT THE PANEL MEMBERSHIP INCLUDE TAX EXPERTS WHO POSSESS THE PROPER TAX EXPERTISE AND OBJECTIVITY TO ANALYZE THE VARIOUS TAX PRACTICES INVOLVED.

4. WE BELIEVE MUTEN POSSESSES THE REQUISITE QUALIFICATIONS. CASEY

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: NEGOTIATIONS, TAXES, MEETINGS, TARIFF NEGOTIATIONS
Control Number: n/a
Copy: SINGLE
Draft Date: 04 MAR 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: morefirh
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974STATE042733
Document Source: CORE
Document Unique ID: 00
Drafter: DSTOUGHTON
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: n/a
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19740370/aaaacmsr.tel
Line Count: 82
Locator: TEXT ON-LINE
Office: ORIGIN TRSE
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators:
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: A. GENEVA 4044; B. GENEVA 286; C. ST, ATE 13985
Review Action: RELEASED, APPROVED
Review Authority: morefirh
Review Comment: n/a
Review Content Flags:
Review Date: 22 APR 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <22 APR 2002 by ifshinsr>; APPROVED <11 JUN 2002 by morefirh>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: GATT PANELS ON DISC AND OTHER TAX PRACTICES
TAGS: EFIN, GATT
To: STOCKHOLM
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005